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For Immediate Release  
September 27, 2001

**TENNESSEE MAN INDICTED IN  
INVESTMENT FRAUD CASE**

**New Case is Related to IFR Trust Fraud Case**

SACRAMENTO--United States Attorney John K. Vincent announced today that a federal grand jury returned a four count indictment charging TIMOTHY L. McCORMICK, 42, of Chattanooga, Tennessee, in connection with his involvement in an investment fraud scheme that netted millions of dollars from hundreds of investor victims around the country. McCORMICK, who was charged with four counts of interstate transportation of money obtained by fraud, is alleged to have earned commissions for recruiting investors for IFR Trust, in a Modesto-based investment fraud scheme which took in tens of millions of dollars from investors across the country. The indictment alleges that McCORMICK sent checks consisting of at least \$349,000 of investors' funds to accounts in California associated with IFR Trust.

According to Assistant U.S. Attorney Benjamin B. Wagner, who is prosecuting the case, the McCORMICK case arose out of the investigation into the activities of IFR Trust. IFR Trust was controlled by LARRY WILCOXSON, 49, of Modesto. WILCOXSON and four other defendants were previously charged in federal court in Sacramento with conspiracy to commit securities fraud, mail fraud, money laundering, and other offenses in connection with the IFR Trust scheme. WILCOXSON pleaded guilty to money laundering charges and was sentenced in January to eight years in prison. Two of his associates, JOHN R. WITZKE, 51, and an accountant, C. WILLIAM GORDIN, 49, also of Modesto, are also currently serving sentences in connection with the IFR Trust case. Another defendant in the IFR Trust case, DAVID BAXTER, 60, of the United Kingdom, was arrested in Britain in January. He was released on bail, after surrendering his passport, pending further extradition proceedings in Britain.

In a related case, VELTON ROGERS, 67, also of Modesto, was indicted last year on two counts of mail fraud, five counts of wire fraud, six counts of money laundering, three counts of structuring financial transactions, and one count of forfeiture. He is also alleged to have recruited investors for WILCOXSON and IFR Trust. A jury trial in that case is scheduled to commence in November before U.S. District Court Judge David F. Levi in Sacramento.

The new indictment alleges that McCORMICK solicited investments for high yield

investment programs, both under the name IFR Trust, and independently of IFR Trust, that supposedly generated large profits through a secretive European trading program. Investors were told that the program was risk-free, and that investors would likely earn profits of 30% per month or more. If convicted, McCORMICK faces a maximum penalty on each of the four counts of ten years in prison, a three year term of supervised release, and a \$250,000 fine.

In late 1999, McCORMICK was charged with securities fraud, sale of unregistered securities, and other offenses by the District Attorney's Office in Salt Lake County, Utah. That case, which relates to McCORMICK's alleged recruitment of investors in Utah, is still pending.

The United States Attorney's Office noted that an indictment is only an accusation, and that McCORMICK, ROGERS and BAXTER are all presumed innocent until and unless proven guilty.

Robb Evans has been appointed by the U.S. District Court as a trustee to locate and take possession of any remaining assets arising from the IFR Trust investment fraud scheme. The trustee has taken possession of assets worth several million dollars, and is currently conducting further investigation. Seized assets will be distributed to investors at the conclusion of the trustee's investigation and analysis of the assets, and receipt of claims from victim investors. The court-appointed trustee can be reached at: Robb Evans, Trustee, P.O. Box 880, Sun Valley, California 91353. The trustee's Email address is [ifr@robbevans.com](mailto:ifr@robbevans.com). The trustee has also established a website and hotline. The trustee's website is: [www.robbevans.com](http://www.robbevans.com). The hotline is (818) 768-8906.

The case is being investigated by the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service.

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